

Message

From: Evangelista, Pat [Evangelista.Pat@epa.gov]
Sent: 12/5/2022 6:11:14 PM
To: Mugdan, Walter [Mugdan.Walter@epa.gov]; Kluesner, Dave [kluesner.dave@epa.gov]; Simon, Paul [Simon.Paul@epa.gov]; Mears, Mary [Mears.Mary@epa.gov]
Subject: RE: FYI: Legally Binding Agreement Requires Owners of Refinery on St. Croix to Remove Dangerous Chemicals

Perfect, thank you.

From: Mugdan, Walter <Mugdan.Walter@epa.gov>
Sent: Monday, December 5, 2022 1:09 PM
To: Kluesner, Dave <kluesner.dave@epa.gov>; Simon, Paul <Simon.Paul@epa.gov>; Mears, Mary <Mears.Mary@epa.gov>; Evangelista, Pat <Evangelista.Pat@epa.gov>
Subject: RE: FYI: Legally Binding Agreement Requires Owners of Refinery on St. Croix to Remove Dangerous Chemicals

I suggest that we respond along the following lines:

The order requires the safe removal of the chemicals that presented the greatest risks – ammonia, liquified petroleum gas, amine, and hydrogen sulfide. As we explained during a meeting on November 17, it is essential that the removal be thoughtfully and thoroughly planned, and carefully carried out. The order requires that the refinery owners hire an expert consultant(s), subject to EPA review and approval, who will propose options for safe removal of the chemicals. EPA will review the proposal and identify acceptable options, which will then be implemented with EPA oversight.

From: Kluesner, Dave <kluesner.dave@epa.gov>
Sent: Monday, December 5, 2022 1:00 PM
To: Mugdan, Walter <Mugdan.Walter@epa.gov>; Simon, Paul <Simon.Paul@epa.gov>; Mears, Mary <Mears.Mary@epa.gov>; Evangelista, Pat <Evangelista.Pat@epa.gov>
Subject: FW: FYI: Legally Binding Agreement Requires Owners of Refinery on St. Croix to Remove Dangerous Chemicals

FYI, this question just came in from Judith Enck.

David W. Kluesner



U.S. Environmental Protection Agency, Northeast & Caribbean Region
Director of Strategic Programs
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From: Judith Enck [Ex. 6 Personal Privacy (PP)]
Sent: Monday, December 05, 2022 12:48 PM
To: Kluesner, Dave <kluesner.dave@epa.gov>
Cc: fgerard@chantvi.org; [Ex. 6 Personal Privacy (PP)]; elizabeth@neville.com; John Walker <jwalke@nrdc.org>; edavis@nrdc.org; [Ex. 6 Personal Privacy (PP)]

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Subject: Re: FYI: Legally Binding Agreement Requires Owners of Refinery on St. Croix to Remove Dangerous Chemicals

Thank you, David.

Can you please fill us in on what is happening with the problems identified in the September EPA inspection of the oil refinery where a number of items were flagged as potentially catastrophic? Have the problems been physically addressed?

thank you, Judith

On Mon, Dec 5, 2022 at 12:35 PM Kluesner, Dave <kluesner.dave@epa.gov> wrote:

Attached, and copied below, is a news release that EPA issued moments ago. Also attached is the Administrative Order on Consent with Port Hamilton Refining and Transportation, LLLP.



EPA Announces Requirement of New Clean Air Permit for Oil Refinery on St. Croix Before Operation, Ensuring Public Health Protections

Requirement of new Prevention of Significant Deterioration Permit advances EPA commitment to ensuring equal protection under the law for all communities

Contact: EPA Press Office, press@epa.gov

WASHINGTON (Nov. 17, 2022) – Today, the U.S. Environmental Protection Agency (EPA) announced that the oil refinery on St. Croix in the U.S. Virgin Islands may not resume operations without obtaining a new comprehensive Clean Air Act permit. The new permit, called a Prevention of Significant Deterioration (PSD) permit, would require detailed air quality analyses and the use of the best available air pollution control technology. The facility is located near historically marginalized communities that are overburdened with pollution, including pollution from this refinery that led EPA to issue an emergency order to pause all operations in May 2021.

"As Administrator, I am committed to prioritizing the health and safety of underserved and overburdened communities across this country and holding polluters accountable. That is why EPA is using its full authority

under the law to require this facility to analyze its impact on air quality and use the latest air pollution controls before it resumes operations," **said EPA Administrator Michael S. Regan.** " This will ensure protections for St. Croix by requiring the refinery to operate in compliance with environmental laws designed to protect people's health and the environment."

"Today we are continuing to make good on our promise to deliver environmental justice and ensure that EPA protects the health of every community, regardless of race, zip code or income," **said EPA Regional Administrator Lisa F. Garcia.** "EPA takes seriously our responsibility to the nearby communities, which have carried the burden of mishaps at this facility for far too long."

A PSD permit limits emissions to levels that can be achieved by applying the best available air pollution control technology, which for this refinery would likely result in significant reductions of emissions of nitrogen oxides and volatile organic chemicals, and reductions in sulfur dioxide, hydrogen sulfide, carbon monoxide and particulate matter. The permit process also requires an air quality analysis to determine if the facility would cause pollution levels in the air to exceed EPA air quality standards. If a standard were to be exceeded, further reductions would be required in the PSD permitting process.

In addition to the PSD considerations, EPA is also continuing oversight of this facility, which is not currently operating. In September, EPA inspected the refinery to determine the general state of chemical safety at the facility. During that inspection, the Agency noted serious deficiencies in how this facility has been maintained. EPA quickly alerted the company to the deficiencies and issued a [detailed inspection report](#), which was also shared with the public. EPA is actively discussing the chemical safety issues with the company and determining next steps to address the issues.

EPA has previously taken numerous enforcement actions related to this facility, including setting up a community hotline, developing a dedicated [website](#), and engaging regularly with the community.

Background:

Hess Oil built the refinery, which was once the largest in the western hemisphere, in the mid-1960s. Later, HOVENSA owned the refinery, and subsequently the facility was owned by Limetree Bay Refining. West Indies Petroleum Limited and Port Hamilton Refining and Transportation, LLC emerged as the winning bidder for the Limetree Bay refinery from an auction held in bankruptcy court in December 2021.

It has been nearly 11 years since HOVENSA shut down its refining operations at this facility. The EPA considers the refinery a new major air pollution source that requires an additional PSD permit and installation

of the best available air pollution control technology before any start of refinery operations. EPA's most recent modification to the refinery's existing PSD permits was in August 2011.

Separate from the need for a new PSD permit, there are numerous federal and local environmental requirements with which the refinery must comply before it can operate. The refinery owners have an obligation to comply with existing Clean Air Act requirements. The facility is also subject to a Clean Air Act consent decree. The owners also have ongoing obligations under permits issued by the U.S. Virgin Islands.

To read EPA's decision, visit [Refinery on St. Croix](#).

View how the permit protects public health at EPA's [Prevention of Significant Deterioration](#) web page.

22-090

David W. Kluesner



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When you see something that is not right, not fair, not just, you have to show up. Speak up, speak out, and find a way to get in the way and get in trouble. Good Trouble. Necessary trouble. -Congressmember John Lewis